

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0791/P2ins
PJK:.....

INSERT A

^{note}, with a minimum premium payment of \$25. An individual whose total earned and unearned income is less than 150 percent of the poverty line for an individual is required to pay a monthly premium of \$25

(END OF INSERT A)

INSERT 6-9

1

x

2

SECTION 1. 49.472 (3) (f) of the statutes is amended to read:

3

49.472 (3) (f) The individual maintains premium payments calculated by the

4

department in accordance with sub. (4), unless the individual is exempted from

5

premium payments under sub. (4) ~~(b) or~~ (5).

6

History: 1999 a. 9, 185; 2001 a. 16; 2003 a. 33; 2009 a. 2; 2011 a. 10, 32.

SECTION 2. 49.472 (4) (a) (intro.) of the statutes is renumbered 49.472 (4)

7

(intro.) and amended to read:

8

49.472 (4) (intro.) Except as provided in ~~par. (b) and~~ sub. (5), an individual who

9

is eligible for medical assistance under sub. (3) and receives medical assistance shall

10

pay a monthly premium to the department. ~~The department shall establish the~~

11

~~monthly premiums by rule in accordance with the following guidelines, calculated~~

12

as follows:

History: 1999 a. 9, 185; 2001 a. 16; 2003 a. 33; 2009 a. 2; 2011 a. 10, 32.

(END OF INSERT 6-9)

INSERT 7-23

✓

13

49.472 (4) (b) An individual whose total net income, as calculated under sub.

14

(3) (a), is equal to less than 150 percent of the poverty line for an individual shall pay

15

a premium of \$25.

(END OF INSERT 7-23)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0791/P2dn

PJK:.....

V m is run

→ This version of the draft makes changes for your review to the premium payment provisions under the Medical Assistance purchase plan program.

A
Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0791/P2

PJK:sac

stay 5

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

by 1/16/2014 afternoon

gen cat

1 AN ACT *to repeal* 49.472 (4) (a) 2m.; *to renumber and amend* 49.472 (4) (a)
2 (intro.); *to amend* 49.468 (1) (d), 49.468 (1m) (b), 49.468 (2) (b), 49.47 (4) (b)
3 (intro.), 49.472 (1) (c), 49.472 (3) (a), 49.472 (3) (b), 49.472 (3) (f), 49.472 (4) (a)
4 2. (intro.), 49.472 (4) (a) 3. and 49.472 (5); *to repeal and recreate* 49.472 (4)
5 (a) 1. and 49.472 (4) (b); and *to create* 46.286 (1m) and 49.46 (1) (em) of the
6 statutes; **relating to:** eligibility for an premiums under the Medical Assistance
7 purchase plan and disregarding retirement benefits for purposes of
8 determining eligibility and cost-sharing requirements under a number of
9 Medical Assistance programs.

Analysis by the Legislative Reference Bureau

Under current law, an individual who would be eligible for the Medical Assistance (MA) program based on eligibility for supplemental security income (SSI), but who is not eligible for SSI because he or she is employed and has too much earned and unearned income to be eligible, may pay premiums for coverage under MA if his or her family's net income is less than 250 percent of the poverty line and his or her assets do not exceed \$15,000, excluding certain assets. This program is known as the MA purchase plan (MAPP). When determining the value of the

individual's assets for continued eligibility under MAPP, the Department of Health Services (DHS) excludes amounts in a DHS-approved account that consists solely of savings from the individual's employment after the individual's coverage under MAPP began. These accounts are known as "independence accounts."

This bill makes changes to the eligibility and premium requirements under MAPP. Under current law, when determining whether an individual's net income is less than 250 percent of the poverty line, certain disregards are deducted from the individual's and his or her spouse's total earned income, then the individual's and his or her spouse's total unearned income is added, and then another general disregard is deducted. Under the bill, an individual's net income is determined by subtracting the same disregards as under current law from the individual's total earned and unearned income alone, then the individual's out-of-pocket medical and remedial expenses and long-term care costs, if any, are deducted.

Premiums for MA coverage under MAPP are calculated for an individual by adding together all of the individual's unearned income, after certain specified amounts are deducted, and then adding, in practice, 3 percent of the individual's earned income, although the statutes provide that 3.5 percent of the individual's earned income is to be added. DHS may waive any premiums that are calculated to be below \$10 per month, although, in practice, DHS waives any premiums below \$25 per month. In addition, DHS is prohibited from assessing a premium to an individual whose earned and unearned income is below 150 percent of the poverty line. Under the bill, an individual whose total earned and unearned income is at least 150 percent of the poverty line for an individual is required to pay a monthly premium equal to 3 percent of the individual's total earned and unearned income, after deducting the same specified amounts that are deducted under current law from an individual's unearned income, with a minimum premium payment of \$25. An individual whose total earned and unearned income is less than 150 percent of the poverty line for an individual is required to pay a monthly premium of \$25.

Finally, certain MA programs consider an individual's income and assets when determining eligibility and any cost-sharing requirements for the program. The bill requires DHS to exclude, to the extent approved by the federal government, independence accounts and retirement benefits that accumulated or were earned through employment income or employer contributions while the individual was employed and receiving MA coverage under MAPP when determining eligibility or cost-sharing requirements under various MA programs, including Family Care and MAPP, except that independence accounts are already excluded under current law with respect to MAPP.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **46.286 (1m) INCOME AND ASSETS EXCLUDED.** For purposes of determining a
2 person's financial eligibility under sub. (1) (b) and cost-sharing requirements under
3 sub. (2), to the extent approved by the federal government, the department or its
4 designee shall exclude any assets accumulated in an independence account, as
5 defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned
6 or accumulated from employment income or employer contributions while the person
7 was employed and eligible for and receiving medical assistance under s. 49.472.

8 **SECTION 2.** 49.46 (1) (em) of the statutes is created to read:

9 **49.46 (1) (em)** For purposes of determining the eligibility and any cost-sharing
10 requirements of an individual under par. (a) 6m., 14., or 14m., (d) 2., or (e), to the
11 extent approved by the federal government, the department shall exclude any assets
12 accumulated in an independence account, as defined in s. 49.472 (1) (c), and any
13 income or assets from retirement benefits earned or accumulated from employment
14 income or employer contributions while the individual was employed and eligible for
15 and receiving medical assistance under s. 49.472.

16 **SECTION 3.** 49.468 (1) (d) of the statutes is amended to read:

17 **49.468 (1) (d)** Benefits under par. (b) or (c) are available for an individual who
18 has resources that are equal to or less than 200% of the allowable resources as
19 determined under 42 USC 1381 to 1385, excluding, to the extent approved by the
20 federal government, any assets accumulated in an independence account, as defined
21 in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or
22 accumulated from income or employer contributions while the individual was
23 employed and eligible for and receiving medical assistance under s. 49.472, and who
24 has income that is equal to or less than 100% of the poverty line.

25 **SECTION 4.** 49.468 (1m) (b) of the statutes is amended to read:

1 49.468 (1m) (b) Benefits under par. (a) are available for an individual who has
2 resources that are equal to or less than 200% of the allowable resources determined
3 under 42 USC 1381 to 1385, excluding, to the extent approved by the federal
4 government, any assets accumulated in an independence account, as defined in s.
5 49.472 (1) (c), and any income or assets from retirement benefits earned or
6 accumulated from income or employer contributions while the individual was
7 employed and eligible for and receiving medical assistance under s. 49.472, and who
8 has income that is greater than 100% of the poverty line but less than 120% of the
9 poverty line.

10 **SECTION 5.** 49.468 (2) (b) of the statutes is amended to read:

11 49.468 (2) (b) Benefits under par. (a) are available for an individual who has
12 resources that are equal to or less than 200% of the allowable resources under 42
13 USC 1381 to 1385, excluding, to the extent approved by the federal government, any
14 assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and
15 any income or assets from retirement benefits earned or accumulated from income
16 or employer contributions while the individual was employed and eligible for and
17 receiving medical assistance under s. 49.472, and who has income that is equal to or
18 less than 200% of the poverty line.

19 **SECTION 6.** 49.47 (4) (b) (intro.) of the statutes is amended to read:

20 49.47 (4) (b) (intro.) Eligibility exists if the applicant's property, ~~subject to the~~
21 ~~exclusion of~~ excluding any amounts under the Long-Term Care Partnership
22 Program established under s. 49.45 (31), and, to the extent approved by the federal
23 government, any amounts assets accumulated in an independence account, as
24 defined in s. 49.472 (1) (c), ~~or and~~ any income or assets from retirement assets that
25 accrued benefits earned or accumulated from employment income or employer

1 contributions while the applicant was employed and eligible for the community
2 options program under s. 46.27 (11), or any other Medical Assistance program,
3 including deferred compensation or the value of retirement accounts in the
4 Wisconsin Retirement System or under the federal Social Security Act and receiving
5 medical assistance under s. 49.472, does not exceed the following:

6 **SECTION 7.** 49.472 (1) (c) of the statutes is amended to read:

7 49.472 (1) (c) “Independence account” means an account approved by the
8 department that consists solely of savings, and dividends or other gains derived from
9 those savings, from income earned from paid employment ~~after the initial date on~~
10 ~~which~~ while an individual ~~began~~ is receiving medical assistance under this section.

11 **SECTION 8.** 49.472 (3) (a) of the statutes is amended to read:

12 49.472 (3) (a) The individual’s family’s total net income is less than ~~250%~~ 250
13 percent of the poverty line for ~~a family the size of the individual’s family an~~
14 individual. In calculating the net income, the department shall apply all of the
15 exclusions specified under 42 USC 1382a (b), and shall exclude the individual’s
16 out-of-pocket medical and remedial expenses and long-term care costs, if any.

****NOTE: I’m still not sure, based on the instructions, how to accomplish an
“individualized threshold.” Does the deduction of out-of-pocket medical and remedial
expenses and long-term care costs accomplish this? Should anything else be deducted?
Note that this deduction was included in the budget bill with a \$500 per month cap.

17 **SECTION 9.** 49.472 (3) (b) of the statutes is amended to read:

18 49.472 (3) (b) The individual’s assets do not exceed \$15,000. In determining
19 assets, the department may not include assets that are excluded from the resource
20 calculation under 42 USC 1382b (a) ~~or;~~ assets accumulated in an independence
21 account; or, to the extent approved by the federal government, income or assets from
22 retirement benefits earned or accumulated from income or employer contributions
23 while the individual was employed and eligible for and receiving medical assistance

1 under this section. The department may exclude, in whole or in part, the value of a
2 vehicle used by the individual for transportation to paid employment.

3 **SECTION 10.** 49.472 (3) (f) of the statutes is amended to read:

4 49.472 (3) (f) The individual maintains premium payments calculated by the
5 department in accordance with sub. (4), unless the individual is exempted from
6 premium payments under sub. (4)(b) or (5).

7 **SECTION 11.** 49.472 (4) (a) (intro.) of the statutes is renumbered 49.472 (4)
8 (intro.) and amended to read:

9 49.472 (4) (intro.) Except as provided in par. (b) and sub. (5), an individual who
10 is eligible for medical assistance under sub. (3) and receives medical assistance shall
11 pay a monthly premium to the department. ~~The department shall establish the~~
12 ~~monthly premiums by rule in accordance with the following guidelines, calculated~~
13 as follows:

14 **SECTION 12.** 49.472 (4) (a) 1. of the statutes is repealed and recreated to read:

15 49.472 (4) (a) 1. Except as provided in subd. 3, ^{and 4.} an individual whose total net
16 income, as calculated under sub. (3) (a), is equal to at least 150 percent of the poverty
17 line for an individual shall pay a premium that is equal to 3 percent of the individual's
18 total earned and unearned income, after the deductions specified in subd. 2.

19 **SECTION 13.** 49.472 (4) (a) 2. (intro.) of the statutes is amended to read:

20 49.472 (4) (a) 2. (intro.) In determining an individual's total earned and
21 unearned income for purposes of determining the premium under subd. 1., the
22 department shall disregard all of the following:

23 **SECTION 14.** 49.472 (4) (a) 2m. of the statutes is repealed.

24 **SECTION 15.** 49.472 (4) (a) 3. of the statutes is amended to read:

Subject to subd. 4., the

1 49.472 (4) (a) 3. ~~The~~ department may reduce the premium by 25% determined
2 under subd. 1. by 25 percent for an individual who is covered by private health
3 insurance.

4 **SECTION 16.** 49.472 (4) (b) of the statutes, as affected by 2011 Wisconsin Act 32,
5 section 1462h, is repealed and recreated to read:

6 49.472 (4) (b) An individual whose total net income, as calculated under sub.
7 (3) (a), is equal to less than 150 percent of the poverty line for an individual shall pay
8 a premium of \$25.

9 **SECTION 17.** 49.472 (5) of the statutes is amended to read:

10 49.472 (5) COMMUNITY OPTIONS PARTICIPANTS. From the appropriation under s.
11 20.435 (7) (bd), the department may pay all or a portion of the monthly premium
12 calculated under sub. (4) (a) for an individual who is a participant in the community
13 options program under s. 46.27 (11).

14 **SECTION 18. Initial applicability.**

15 (1) **ELIGIBILITY FOR THE MEDICAL ASSISTANCE PURCHASE PLAN.** The treatment of
16 section 49.472 (3) (a) and (f) of the statutes first applies to individuals who apply for
17 the Medical Assistance purchase plan, or whose continued eligibility for the Medical
18 Assistance purchase plan is reviewed, on the effective date of this subsection.

19 (2) **ELIGIBILITY FOR CERTAIN MEDICAL ASSISTANCE PROGRAMS.**

20 (a) *Family care.* The treatment of section 46.286 (1m) of the statutes first
21 applies to individuals who apply for the family care benefit, or whose continued
22 eligibility for the family care benefit is reviewed, on the effective date of this
23 paragraph.

24 (b) *Medical Assistance.* The treatment of sections 49.46 (1) (em), 49.47 (4) (b)
25 (intro.), and 49.472 (3) (b) of the statutes first applies to individuals who apply for

Insert 7-3

1 Medical Assistance or the Medical Assistance purchase plan, or whose continued
2 eligibility for Medical Assistance or the Medical Assistance purchase plan is
3 reviewed, on the effective date of this paragraph.

4 (c) *Medicare buy-in*. The treatment of section 49.468 (1) (d), (1m) (b), and (2)
5 (b) of the statutes first applies to individuals who apply for the expanded medicare
6 buy-in program, or whose continued eligibility for the expanded medicare buy-in
7 program is reviewed, on the effective date of this paragraph. *and 4.*

8 (3) PREMIUMS FOR THE MEDICAL ASSISTANCE PURCHASE PLAN. The treatment of
9 section 49.472 (3) (f), (4) (a) (intro.), 1., 2. (intro.), 2m., *2* and 3. *and* (b), and (5) of the
10 statutes first applies to premiums for the Medical Assistance purchase plan that are
11 payable on the effective date of this subsection.

12 (END)

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0791/P2ins

PJK:.....

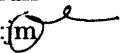
INSERT 7-3

1 **SECTION 1.** 49.472 (4) (a) 4. of the statutes is created to read:
2 49.472 (4) (a) 4. An individual's premium under this paragraph may not be less
3 than \$25.

(END OF INSERT 7-3)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0791/P2dn

PJK:sac:fm 

January 15, 2014 ✓

This version of the draft makes changes for your review to the premium payment provisions under the Medical Assistance purchase plan program.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0791/P2dn
PJK:sac:rs

January 15, 2014

This version of the draft makes changes for your review to the premium payment provisions under the Medical Assistance purchase plan program.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

Kahler, Pam

From: Julian, Jamie
Sent: Thursday, January 16, 2014 3:03 PM
To: Kahler, Pam
Subject: FYI: MAPP bill P2

Sending this along in advance of our meeting for your review

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

(608) 266-9870

From: Jackson, Tamara - BPDD [<mailto:Tamara.Jackson@wisconsin.gov>]
Sent: Thursday, January 16, 2014 2:25 PM
To: Julian, Jamie; Sandy Popp <sandyp@optionsil.org> (sandyp@optionsil.org)
Subject: RE: MAPP bill P2

Thanks for this updated draft Jamie!

A minor housekeeping thing, on file 13-0791_P2 in the LRB summary there is a line (page 2, middle of paragraph three) that states

"In addition, DHS is prohibited from assessing a premium to an individual whose earned and unearned income is below 150 percent of the poverty line."

Since we now know that statement is inaccurate, I suggest it be removed from the Analysis summary so it does not cause confusion for legislators. *what is "policy"?*

Also, Page 7, line 10, is the word "or" missing (equal to OR less than 150%...) *what is the practice?* *is correct as drafted but* *actually, "equal to" flows out*
unless you want this to be = or < then the other must be changed

I have been sucked into meetings for the past two days, but noticed the drafter's question about remedial expenses embedded in the draft.

I believe the MAPP ad hoc committee (conference call scheduled this afternoon) has been thinking about some suggested language that may be helpful to the drafter. Once the committee has discussed the language, perhaps we can forward you some ideas in advance of tomorrow's meeting that may be helpful.

--Tami

Responding to Representative Jacque Draft Language Request

Question: Does this deduction, of out-of-pocket medical, medical remedial, and long-term support services accomplish this? Should anything else be deducted?

Note: This language is already included in the budget language with a \$500 cap.

Introduction: The object of the individualized threshold calculation is to determine if the individual has earnings sufficient to replace all the benefits which he/she would actually receive in the absence of those earnings

Recommended language: ... 49.472 (3) (a) The individual's total net income is less than 250% of the poverty line for the individual, with exception noted below in subsection (c) In calculating the net income, the department shall apply all of the exclusions specified under 42 USC 1382a. and (b) shall exclude the individuals out-of-pocket medical and remedial and long-term care costs, if any.

(c) If an individual's net income exceeds 250% of the poverty level, the individual may remain eligible provided the individual does not have earnings sufficient to replace all the benefits, including, Medicaid or private health insurance benefits, and publicly-funded personal or attendant care which they would actually receive in the absence of those earnings. DHS is directed by administrative rule to construct an individualized threshold concept based upon the Continued Medicaid Eligibility Section 1619(b) individualized "threshold," to measure whether an individual does not have sufficient earnings to replace these benefits.

Handwritten notes: "or be?" with an arrow pointing to "remain"; "keep or" with an arrow pointing to "and publicly-funded personal or attendant care".

Background:

The federal Social Security Administration in establishing the 1619 work incentive wanted to make sure that individuals earning more than substantial gainful activity, but requiring medical and long-term support services in order to continue to work were provided with a process to accomplish that. They created 1619 (B), which establishes a threshold and an individualized threshold, which will allow individuals to maintain access to medical care and long-term support services they require in order to work.

Reference: http://www.socialsecurity.gov/oact/ssir/SSI13/III_ProgramDescription.html

In determining whether individuals' earnings are not sufficient to provide them with the equivalent benefits they would be eligible for if they stopped working, their earnings are compared to a threshold amount for their State of residence. Section 1619(b) status continues if the earnings are at or below the threshold. If earnings exceed the State threshold, SSI will make an individualized assessment of the need for Medicaid and 1619(b) status may continue.

The object of the individualized threshold calculation is to determine if the individual does not have earnings sufficient to replace all the benefits which he/she would actually receive in the absence of those earnings.

When an individual who is otherwise eligible for 1619(b) has gross earnings which exceed the \$33,361 amount in the applicable 2014 chart in SI 02302.200, SSI will determine whether the individual could be eligible under an individualized threshold calculation.

- The individualized threshold calculation begins with the Wisconsin base amount. The base amount is \$20,335 taken from the 2014 state-by-state threshold from the chart in SI 02302.200. The higher of the individual's actual Wisconsin 2014 Medicaid expenditures (see SI 02302.050D.2.) or the average per capita Medicaid expenditure of \$13,026 (as shown in SI 02302.200).
- The higher of the State supplement 2014 rate actual living arrangement or the "living alone" (\$2011) or the Wisconsin rate of ($\$179.77 \times 2 \times 12 \text{ months} = \4314.48) for Exceptional Expense;
- Any IRWE or BWE the person has;
- Amounts of income excluded under an approved PASS (as described in SI 00870.001 ff.); and
- The value of publicly-funded personal/attendant care which the individual receives. (See SI 02302.050C.2., and SI 02302.050D.3.)

For purposes of determining section 1619(b) eligibility, **attendant care** (including personal care and other domestic assistance and supportive services) means assistance with:

- work-related functions; or
- personal needs such as bathing, communicating, cooking, dressing, homemaking, eating, and transportation **regardless of whether such needs are work-related.**
- **Attendant care** for 1619 (b) purposes must be provided to the individual while at work or at home by an attendant paid from Federal, State, or local funds **other** than Medicaid. **Note:** Attendant care paid for by Medicaid is already counted in the total Medicaid expenditures, so including it again would cause a duplication of costs.

<https://secure.ssa.gov/apps10/poms.nsf/lnx/0502302045>

Kahler, Pam

From: Julian, Jamie
Sent: Tuesday, January 21, 2014 4:27 PM
To: Kahler, Pam
Subject: MAPP Bill: authorization for individualized threshold - suggested language

Hi Pam:

Thanks again for meeting with us on Friday – below is some suggested language for creating an individualized threshold as we spoke about. I believe this should achieve our intent, but let us know if you have any concerns with this.

Sincerely,

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

(608) 266-9870

(c)If an individual's net income exceeds 250% of the federal poverty level, the individual may remain eligible provided the individual does not have earnings sufficient to replace all the benefits, including, Medicaid or private health insurance benefits, and publicly-funded personal or attendant care which they would actually receive in the absence of those earnings. DHS is directed to apply the following deductions, as needed to reach eligibility, to the individuals countable monthly MAPP income: Medicaid expenditures, the value of publicly funded attendant care costs, private health insurance costs; Impairment Related Work Expenses (IRWE), Blind Work Expenses BWE), and amount of income excluded in an approved PASS. Deductions are to be applied until MAPP eligibility is reached.

1-23

LRB-0791

Janie by phone

requests a P3 version of the draft
that includes the new language
for long-term care programs,
as well as "individualized threshold"
language with DHTS determining
how to calculate it



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0791/P2

PJK:sac: [signature]

r mignun

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

~~SOON~~ today
(in 1-24)

regenerate ↓

1 AN ACT *to repeal* 49.472 (4) (a) 2m.; *to renumber and amend* 49.472 (4) (a)
2 (intro.); *to amend* 49.468 (1) (d), 49.468 (1m) (b), 49.468 (2) (b), 49.47 (4) (b)
3 (intro.), 49.472 (1) (c), 49.472 (3) (a), 49.472 (3) (b), 49.472 (3) (f), 49.472 (4) (a)
4 2. (intro.), 49.472 (4) (a) 3. and 49.472 (5); *to repeal and recreate* 49.472 (4)
5 (a) 1. and 49.472 (4) (b); and *to create* 46.286 (1m), 49.46 (1) (em) and 49.472
6 (4) (a) 4. of the statutes; *relating to:* eligibility for ^{and} premiums under the
7 Medical Assistance purchase plan and disregarding retirement benefits for
8 purposes of determining eligibility and cost-sharing requirements under a
9 number of Medical Assistance ^{and long-term care} programs.

Analysis by the Legislative Reference Bureau

Under current law, an individual who would be eligible for the Medical Assistance (MA) program based on eligibility for supplemental security income (SSI), but who is not eligible for SSI because he or she is employed and has too much earned and unearned income to be eligible, may pay premiums for coverage under MA if his or her family's net income is less than 250 percent of the poverty line and his or her assets do not exceed \$15,000, excluding certain assets. This program is known as the MA purchase plan (MAPP). When determining the value of the

individual's assets for continued eligibility under MAPP, the Department of Health Services (DHS) excludes amounts in a DHS-approved account that consists solely of savings from the individual's employment after the individual's coverage under MAPP began. These accounts are known as "independence accounts."

This bill makes changes to the eligibility and premium requirements under MAPP. Under current law, when determining whether an individual's net income is less than 250 percent of the poverty line, certain disregards are deducted from the individual's and his or her spouse's total earned income, then the individual's and his or her spouse's total unearned income is added, and then another general disregard is deducted. Under the bill, an individual's net income is determined by subtracting the same disregards as under current law from the individual's total earned and unearned income alone, then the individual's out-of-pocket medical and remedial expenses and long-term care costs, if any, are deducted. ^{Insert A}

Premiums for MA coverage under MAPP are calculated for an individual by adding together all of the individual's unearned income, after certain specified amounts are deducted, and then adding, in practice, 3 percent of the individual's earned income, although the statutes provide that 3.5 percent of the individual's earned income is to be added. DHS may waive any premiums that are calculated to be below \$10 per month, although, in practice, DHS waives any premiums below \$25 per month. In addition, DHS is prohibited from assessing a premium to an individual whose earned and unearned income is below 150 percent of the poverty line. Under the bill, an individual whose total earned and unearned income is at least 150 percent of the poverty line for an individual is required to pay a monthly premium equal to 3 percent of the individual's total earned and unearned income, after deducting the same specified amounts that are deducted under current law from an individual's unearned income, with a minimum premium payment of \$25. An individual whose total earned and unearned income is less than 150 percent of the poverty line for an individual is required to pay a monthly premium of \$25.

Finally, certain MA programs consider an individual's income and assets when determining eligibility and any cost-sharing requirements for the program. The bill requires DHS to exclude, to the extent approved by the federal government, independence accounts and retirement benefits that accumulated or were earned through employment income or employer contributions while the individual was employed and receiving MA coverage under MAPP when determining eligibility or cost-sharing requirements under various MA programs, including Family Care and MAPP, except that independence accounts are already excluded under current law with respect to MAPP.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 46.286 (1m) of the statutes is created to read:

Under current law, independence accounts are excluded from consideration when determining eligibility for MAPP.

the statutes prohibit

and long-term care

46.286 (1m) INCOME AND ASSETS EXCLUDED. For purposes of determining a person's financial eligibility under sub. (1) (b) and cost-sharing requirements under sub. (2), to the extent approved by the federal government, the department or its designee shall exclude any assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from employment income or employer contributions while the person was employed and eligible for and receiving medical assistance under s. 49.472.

SECTION 2. 49.46 (1) (em) of the statutes is created to read:

49.46 (1) (em) For purposes of determining the eligibility and any cost-sharing requirements of an individual under par. (a) 6m., 14., or 14m., (d) 2., or (e), to the extent approved by the federal government, the department shall exclude any assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from employment income or employer contributions while the individual was employed and eligible for and receiving medical assistance under s. 49.472.

SECTION 3. 49.468 (1) (d) of the statutes is amended to read:

49.468 (1) (d) Benefits under par. (b) or (c) are available for an individual who has resources that are equal to or less than 200% of the allowable resources as determined under 42 USC 1381 to 1385, excluding, to the extent approved by the federal government, any assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from income or employer contributions while the individual was employed and eligible for and receiving medical assistance under s. 49.472, and who has income that is equal to or less than 100% of the poverty line.

SECTION 4. 49.468 (1m) (b) of the statutes is amended to read:

1 49.468 (1m) (b) Benefits under par. (a) are available for an individual who has
2 resources that are equal to or less than 200% of the allowable resources determined
3 under 42 USC 1381 to 1385, excluding, to the extent approved by the federal
4 government, any assets accumulated in an independence account, as defined in s.
5 49.472 (1) (c), and any income or assets from retirement benefits earned or
6 accumulated from income or employer contributions while the individual was
7 employed and eligible for and receiving medical assistance under s. 49.472, and who
8 has income that is greater than 100% of the poverty line but less than 120% of the
9 poverty line.

10 SECTION 5. 49.468 (2) (b) of the statutes is amended to read:

11 49.468 (2) (b) Benefits under par. (a) are available for an individual who has
12 resources that are equal to or less than 200% of the allowable resources under 42
13 USC 1381 to 1385, excluding, to the extent approved by the federal government, any
14 assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and
15 any income or assets from retirement benefits earned or accumulated from income
16 or employer contributions while the individual was employed and eligible for and
17 receiving medical assistance under s. 49.472, and who has income that is equal to or
18 less than 200% of the poverty line.

19 SECTION 6. 49.47 (4) (b) (intro.) of the statutes is amended to read:

20 49.47 (4) (b) (intro.) Eligibility exists if the applicant's property, ~~subject to the~~
21 ~~exclusion of~~ excluding any amounts under the Long-Term Care Partnership
22 Program established under s. 49.45 (31), and, to the extent approved by the federal
23 government, any amounts assets accumulated in an independence account, as
24 defined in s. 49.472 (1) (c), ~~or and~~ any income or assets from retirement assets that
25 ~~accrued~~ benefits earned or accumulated from ~~employment~~ income or employer

1 contributions while the applicant was employed and eligible for the ~~community~~
2 ~~options program under s. 46.27 (11), or any other Medical Assistance program,~~
3 ~~including deferred compensation or the value of retirement accounts in the~~
4 ~~Wisconsin Retirement System or under the federal Social Security Act and receiving~~
5 medical assistance under s. 49.472, does not exceed the following:

6 **SECTION 7.** 49.472 (1) (c) of the statutes is amended to read:

7 49.472 (1) (c) "Independence account" means an account approved by the
8 department that consists solely of savings, and dividends or other gains derived from
9 those savings, from income earned from paid employment ~~after the initial date on~~
10 ~~which~~ while an individual ~~began~~ is receiving medical assistance under this section.

11 **SECTION 8.** 49.472 (3) (a) of the statutes is amended to read:

12 49.472 (3) (a) The individual's family's total net income is less than 250% 250
13 percent of the poverty line for a ~~family the size of the individual's family an~~
14 individual. In calculating the net income, the department shall apply all of the
15 exclusions specified under 42 USC 1382a (b), and shall exclude the individual's
16 out-of-pocket medical and remedial expenses and long-term care costs, if any.

****NOTE: I'm still not sure, based on the instructions, how to accomplish an
"individualized threshold." Does the deduction of out-of-pocket medical and remedial
expenses and long-term care costs accomplish this? Should anything else be deducted?
Note that this deduction was included in the budget bill with a \$500 per month cap

17 **SECTION 9.** 49.472 (3) (b) of the statutes is amended to read:

18 49.472 (3) (b) The individual's assets do not exceed \$15,000. In determining
19 assets, the department may not include assets that are excluded from the resource
20 calculation under 42 USC 1382b (a) ~~or;~~ assets accumulated in an independence
21 account; or, to the extent approved by the federal government, income or assets from
22 retirement benefits earned or accumulated from income or employer contributions
23 while the individual was employed and eligible for and receiving medical assistance

Insert 5-16

1 under this section. The department may exclude, in whole or in part, the value of a
2 vehicle used by the individual for transportation to paid employment.

3 **SECTION 10.** 49.472 (3) (f) of the statutes is amended to read:

4 49.472 (3) (f) The individual maintains premium payments calculated by the
5 department in accordance with sub. (4), unless the individual is exempted from
6 premium payments under sub. (4)(b) or (5).

7 **SECTION 11.** 49.472 (4) (a) (intro.) of the statutes is renumbered 49.472 (4)
8 (intro.) and amended to read:

9 49.472 (4) (intro.) Except as provided in ~~par. (b)~~ and sub. (5), an individual who
10 is eligible for medical assistance under sub. (3) and receives medical assistance shall
11 pay a monthly premium to the department. ~~The department shall establish the~~
12 ~~monthly premiums by rule in accordance with the following guidelines, calculated~~
13 as follows:

14 **SECTION 12.** 49.472 (4) (a) 1. of the statutes is repealed and recreated to read:

15 49.472 (4) (a) 1. Except as provided in subds. 3. and 4., an individual whose
16 total net income, as calculated under sub. (3) (a), is equal to at least 150 percent of
17 the poverty line for an individual shall pay a premium that is equal to 3 percent of
18 the individual's total earned and unearned income, after the deductions specified in
19 subd. 2.

20 **SECTION 13.** 49.472 (4) (a) 2. (intro.) of the statutes is amended to read:

21 49.472 (4) (a) 2. (intro.) In determining an individual's total earned and
22 unearned income for purposes of determining the premium under subd. 1., the
23 department shall disregard all of the following:

24 **SECTION 14.** 49.472 (4) (a) 2m. of the statutes is repealed.

25 **SECTION 15.** 49.472 (4) (a) 3. of the statutes is amended to read:

1 49.472 (4) (a) 3. The Subject to subd. 4., the department may reduce the
2 premium by 25% determined under subd. 1. by 25 percent for an individual who is
3 covered by private health insurance.

4 **SECTION 16.** 49.472 (4) (a) 4. of the statutes is created to read:

5 49.472 (4) (a) 4. An individual's premium under this paragraph may not be less
6 than \$25.

7 **SECTION 17.** 49.472 (4) (b) of the statutes, as affected by 2011 Wisconsin Act 32,
8 section 1462h, is repealed and recreated to read:

9 49.472 (4) (b) An individual whose total net income, as calculated under sub.
10 (3) (a), is equal to less than 150 percent of the poverty line for an individual shall pay
11 a premium of \$25.

12 **SECTION 18.** 49.472 (5) of the statutes is amended to read:

13 49.472 (5) COMMUNITY OPTIONS PARTICIPANTS. From the appropriation under s.
14 20.435 (7) (bd), the department may pay all or a portion of the monthly premium
15 calculated under sub. (4) (a) for an individual who is a participant in the community
16 options program under s. 46.27 (11).

17 **SECTION 19. Initial applicability.**

18 (1) ELIGIBILITY FOR THE MEDICAL ASSISTANCE PURCHASE PLAN. The treatment of
19 section 49.472 (3) (a) and (f) of the statutes first applies to individuals who apply for
20 the Medical Assistance purchase plan, or whose continued eligibility for the Medical
21 Assistance purchase plan is reviewed, on the effective date of this subsection.

22 (2) ELIGIBILITY FOR CERTAIN MEDICAL ASSISTANCE PROGRAMS.

23 (a) Family care. The treatment of section 46.286 (1m) of the statutes first
24 applies to individuals who apply for the family care benefit or whose continued

any of the programs listed in
section 46.2896 of the statutes, as created
by this act

Long-term

any of the programs listed in section 46.2896 of the statutes, as created by this act, eligibility for the family care benefit is reviewed, on the effective date of this paragraph.

(b) *Medical Assistance*. The treatment of sections 49.46 (1) (em), 49.47 (4) (b) (intro.), and 49.472 (3) (b) of the statutes first applies to individuals who apply for Medical Assistance or the Medical Assistance purchase plan, or whose continued eligibility for Medical Assistance or the Medical Assistance purchase plan is reviewed, on the effective date of this paragraph.

(c) *Medicare buy-in*. The treatment of section 49.468 (1) (d), (1m) (b), and (2) (b) of the statutes first applies to individuals who apply for the expanded medicare buy-in program, or whose continued eligibility for the expanded medicare buy-in program is reviewed, on the effective date of this paragraph.

(3) **PREMIUMS FOR THE MEDICAL ASSISTANCE PURCHASE PLAN**. The treatment of section 49.472 (3) (f), (4) (a) (intro.), 1., 2. (intro.), 2m., 3., and 4. and (b), and (5) of the statutes first applies to premiums for the Medical Assistance purchase plan that are payable on the effective date of this subsection.

(END)

Just 7-19

no fi, the renumbering and amendment of section 49.472 (3)(a) of the statutes, and the creation of section 49.472 (3)(a) 2. of the statutes first apply

(end of ins. 7-19)

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INSERT A

not In addition, the bill provides that if an individual whose income is equal to or greater than 250 percent of the poverty line satisfies all of the other eligibility requirements, he or she is eligible for MAPP if DHS determines that his or her earnings are insufficient to replace all of the publicly funded benefits that he or she would actually receive in the absence of those earnings.

(END OF INSERT A)

INSERT 1-1 3-7

1 **SECTION 1.** 46.2896 of the statutes is created to read:
2 **46.2896 Determining financial eligibility and cost sharing for**
3 **long-term care programs.** To the extent approved by the federal government, the
4 department or its designee shall exclude any assets accumulated in a person's
5 independence account, as defined in s. 49.472 (1) (c), and any income or assets from
6 retirement benefits earned or accumulated from employment income or employer
7 contributions while the person was employed and eligible for and receiving medical
8 assistance under s. 49.472 in determining that person's financial eligibility and
9 cost-sharing requirements, if any, for the long-term care program under s. 46.27,
10 46.275, or 46.277, for the family care benefit under s. 46.286, for the Family Care
11 Partnership program, or for the long-term care program defined in s. 46.2899 (1).

(END OF INSERT 1-1)

INSERT 5-16

12 **SECTION 2.** 49.472 (3) (a) of the statutes is renumbered 49.472 (3) (a) 1. and
13 amended to read:
14 49.472 (3) (a) 1. The Except as provided in subd. 2., the individual's family's
15 total net income is less than 250% 250 percent of the poverty line for a family the size



Ins 5-16 cont'd

1 of the individual's family an individual. In calculating the net income, the
2 department shall apply all of the exclusions specified under 42 USC 1382a (b), and
3 shall exclude the individual's out-of-pocket medical and remedial expenses and
4 long-term care costs, if any.

History: 1999 a. 9, 185; 2001 a. 16; 2003 a. 33; 2009 a. 2; 2011 a. 10, 32.

5 **SECTION 3.** 49.472 (3) (a) 2. of the statutes is created to read: *equals or*
6 49.472 (3) (a) 2. *e* If the individual's total net income *e* exceeds *e* the amount
7 specified in subd. 1, *but the department determines that* the individual's earnings are insufficient to replace all of the
8 publicly funded benefits that the individual would actually receive in the absence of
9 those earnings, *e* as determined by the department. *e*

****NOTE: The provision above is intended to address the individualized threshold issue. However, it may be too broad and need tweaking.

(END OF INSERT 5-16)

250 percent of the poverty
line for an individual

Kahler, Pam

From: Julian, Jamie
Sent: Friday, March 21, 2014 10:05 AM
To: Kahler, Pam
Subject: please convert mapp bill /3 to introducable and send us bill jacket

Hi,

I left you a voice mail but just wanted to confirm we would like our mapp /3 converted to introducible form and the jacket sent over for us today if possible.

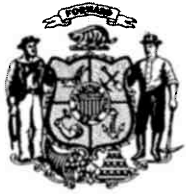
Thank you!

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

(608) 266-9870



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0791/PK

PJK:sac

rm is run

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

2013 Bill

today, please

gen cat

1 AN ACT *to repeal* 49.472 (4) (a) 2m.; *to renumber and amend* 49.472 (3) (a) and
2 49.472 (4) (a) (intro.); *to amend* 49.468 (1) (d), 49.468 (1m) (b), 49.468 (2) (b),
3 49.472 (1) (c), 49.472 (3) (b), 49.472 (3) (f), 49.472 (4) (a) 2. (intro.), 49.472 (4) (a)
4 3. and 49.472 (5); *to repeal and recreate* 49.472 (4) (a) 1. and 49.472 (4) (b);
5 and *to create* 46.2896, 49.46 (1) (em), 49.472 (3) (a) 2. and 49.472 (4) (a) 4. of
6 the statutes; **relating to:** eligibility for and premiums under the Medical
7 Assistance purchase plan and disregarding retirement benefits for purposes of
8 determining eligibility and cost-sharing requirements under a number of
9 Medical Assistance and long-term care programs.

assets in an independence account and

Analysis by the Legislative Reference Bureau

Under current law, an individual who would be eligible for the Medical Assistance (MA) program based on eligibility for supplemental security income (SSI), but who is not eligible for SSI because he or she is employed and has too much earned and unearned income to be eligible, may pay premiums for coverage under MA if his or her family's net income is less than 250 percent of the poverty line and his or her assets do not exceed \$15,000, excluding certain assets. This program is known as the MA purchase plan (MAPP). When determining the value of the

individual's assets for continued eligibility under MAPP, the Department of Health Services (DHS) excludes amounts in a DHS-approved account that consists solely of savings from the individual's employment after the individual's coverage under MAPP began. These accounts are known as "independence accounts."

This bill makes changes to the eligibility and premium requirements under MAPP. Under current law, when determining whether an individual's net income is less than 250 percent of the poverty line, certain disregards are deducted from the individual's and his or her spouse's total earned income, then the individual's and his or her spouse's total unearned income is added, and then another general disregard is deducted. Under the bill, an individual's net income is determined by subtracting the same disregards as under current law from the individual's total earned and unearned income alone, then the individual's out-of-pocket medical and remedial expenses and long-term care costs, if any, are deducted. In addition, the bill provides that if an individual whose income is equal to or greater than 250 percent of the poverty line satisfies all of the other eligibility requirements, he or she is eligible for MAPP if DHS determines that his or her earnings are insufficient to replace all of the publicly funded benefits that he or she would actually receive in the absence of those earnings. ^{Insert A-1}

Premiums for MA coverage under MAPP ^{currently} are calculated for an individual by adding together all of the individual's unearned income, after certain specified amounts are deducted, and then adding, in practice, 3 percent of the individual's earned income, although the statutes provide that 3.5 percent of the individual's earned income is to be added. DHS may waive any premiums that are calculated to be below \$10 per month, although, in practice, DHS waives any premiums below \$25 per month. In addition, the statutes prohibit DHS from assessing a premium to an individual whose earned and unearned income is below 150 percent of the poverty line. Under the bill, an individual whose total earned and unearned income is at least 150 percent of the poverty line for an individual is required to pay a monthly premium equal to 3 percent of the individual's total earned and unearned income, after deducting the same specified amounts that are deducted under current law from an individual's unearned income, with a minimum premium payment of \$25. An individual whose total earned and unearned income is less than 150 percent of the poverty line for an individual is required to pay a monthly premium of \$25. ^{Insert A-2}

^{other} Finally, certain MA and long-term care programs ^{consider} an individual's income and assets when determining eligibility and any cost-sharing requirements for the program. Under current law, independence accounts are excluded from consideration when determining eligibility for MAPP. The bill requires DHS to exclude, to the extent approved by the federal government, independence accounts and retirement benefits that accumulated or were earned through employment income or employer contributions while ^{any} the individual was employed and receiving MA coverage under MAPP when ^{any} determining eligibility or cost-sharing requirements under ^{any} various MA and long-term care programs, including Family Care and MAPP. ^{amount in an}

assets and income from

any of those

DHS determines the individual's

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 46.2896 of the statutes is created to read:

46.2896 Determining financial eligibility and cost sharing for long-term care programs. To the extent approved by the federal government, the department or its designee shall exclude any assets accumulated in a person's independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from employment income or employer contributions while the person was employed and eligible for and receiving medical assistance under s. 49.472 in determining that person's financial eligibility and cost-sharing requirements, if any, for the long-term care program under s. 46.27, 46.275, or 46.277, for the family care benefit under s. 46.286, for the Family Care Partnership program, or for the long-term care program defined in s. 46.2899 (1).

SECTION 2. 49.46 (1) (em) of the statutes is created to read:

49.46 (1) (em) For purposes of determining the eligibility and any cost-sharing requirements of an individual under par. (a) 6m., 14., or 14m., (d) 2., or (e), to the extent approved by the federal government, the department shall exclude any assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from employment income or employer contributions while the individual was employed and eligible for and receiving medical assistance under s. 49.472.

SECTION 3. 49.468 (1) (d) of the statutes is amended to read:

1 49.468 (1) (d) Benefits under par. (b) or (c) are available for an individual who
2 has resources that are equal to or less than 200% of the allowable resources as
3 determined under 42 USC 1381 to 1385, excluding, to the extent approved by the
4 federal government, any assets accumulated in an independence account, as defined
5 in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or
6 accumulated from income or employer contributions while the individual was
7 employed and eligible for and receiving medical assistance under s. 49.472, and who
8 has income that is equal to or less than 100% of the poverty line.

9 SECTION 4. 49.468 (1m) (b) of the statutes is amended to read:

10 49.468 (1m) (b) Benefits under par. (a) are available for an individual who has
11 resources that are equal to or less than 200% of the allowable resources determined
12 under 42 USC 1381 to 1385, excluding, to the extent approved by the federal
13 government, any assets accumulated in an independence account, as defined in s.
14 49.472 (1) (c), and any income or assets from retirement benefits earned or
15 accumulated from income or employer contributions while the individual was
16 employed and eligible for and receiving medical assistance under s. 49.472, and who
17 has income that is greater than 100% of the poverty line but less than 120% of the
18 poverty line.

19 SECTION 5. 49.468 (2) (b) of the statutes is amended to read:

20 49.468 (2) (b) Benefits under par. (a) are available for an individual who has
21 resources that are equal to or less than 200% of the allowable resources under 42
22 USC 1381 to 1385, excluding, to the extent approved by the federal government, any
23 assets accumulated in an independence account, as defined in s. 49.472 (1) (c), and
24 any income or assets from retirement benefits earned or accumulated from income
25 or employer contributions while the individual was employed and eligible for and

1 receiving medical assistance under s. 49.472, and who has income that is equal to or
2 less than 200% of the poverty line.

3 **SECTION 6.** 49.472 (1) (c) of the statutes is amended to read:

4 49.472 (1) (c) "Independence account" means an account approved by the
5 department that consists solely of savings, and dividends or other gains derived from
6 those savings, from income earned from paid employment ~~after the initial date on~~
7 ~~which~~ while an individual ~~began~~ is receiving medical assistance under this section.

8 **SECTION 7.** 49.472 (3) (a) of the statutes is renumbered 49.472 (3) (a) 1. and
9 amended to read:

10 49.472 (3) (a) 1. ~~The~~ Except as provided in subd. 2., the individual's family's
11 total net income is less than ~~250%~~ 250 percent of the poverty line for a ~~family the size~~
12 ~~of the individual's family~~ an individual. In calculating the net income, the
13 department shall apply all of the exclusions specified under 42 USC 1382a (b), and
14 shall exclude the individual's out-of-pocket medical and remedial expenses and
15 long-term care costs, if any.

16 **SECTION 8.** 49.472 (3) (a) 2. of the statutes is created to read:

17 49.472 (3) (a) 2. The individual's total net income equals or exceeds 250 percent
18 of the poverty line for an individual, but the department determines that the
19 individual's earnings are insufficient to replace all of the publicly funded benefits
20 that the individual would actually receive in the absence of those earnings.

****NOTE: The provision above is intended to address the individualized threshold
issue. However, it may be too broad and need tweaking.

21 **SECTION 9.** 49.472 (3) (b) of the statutes is amended to read:

22 49.472 (3) (b) The individual's assets do not exceed \$15,000. In determining
23 assets, the department may not include assets that are excluded from the resource

1 calculation under 42 USC 1382b (a) ~~or~~ assets accumulated in an independence
2 account; or, to the extent approved by the federal government, income or assets from
3 retirement benefits earned or accumulated from income or employer contributions
4 while the individual was employed and eligible for and receiving medical assistance
5 under this section. The department may exclude, in whole or in part, the value of a
6 vehicle used by the individual for transportation to paid employment.

7 **SECTION 10.** 49.472 (3) (f) of the statutes is amended to read:

8 49.472 (3) (f) The individual maintains premium payments calculated by the
9 department in accordance with sub. (4), unless the individual is exempted from
10 premium payments under sub. (4) (b) ~~or~~ (5).

11 **SECTION 11.** 49.472 (4) (a) (intro.) of the statutes is renumbered 49.472 (4)
12 (intro.) and amended to read:

13 49.472 (4) (intro.) Except as provided in ~~par. (b) and~~ sub. (5), an individual who
14 is eligible for medical assistance under sub. (3) and receives medical assistance shall
15 pay a monthly premium to the department. ~~The department shall establish the~~
16 ~~monthly premiums by rule in accordance with the following guidelines, calculated~~
17 as follows:

18 **SECTION 12.** 49.472 (4) (a) 1. of the statutes is repealed and recreated to read:

19 49.472 (4) (a) 1. Except as provided in subds. 3. and 4., an individual whose
20 total net income, as calculated under sub. (3) (a), is equal to at least 150 percent of
21 the poverty line for an individual shall pay a premium that is equal to 3 percent of
22 the individual's total earned and unearned income, after the deductions specified in
23 subd. 2.

24 **SECTION 13.** 49.472 (4) (a) 2. (intro.) of the statutes is amended to read:

1 49.472 (4) (a) 2. (intro.) In determining an individual's total earned and
2 unearned income for purposes of determining the premium under subd. 1., the
3 department shall disregard all of the following:

4 **SECTION 14.** 49.472 (4) (a) 2m. of the statutes is repealed.

5 **SECTION 15.** 49.472 (4) (a) 3. of the statutes is amended to read:

6 49.472 (4) (a) 3. The Subject to subd. 4., the department may reduce the
7 premium by 25% determined under subd. 1. by 25 percent for an individual who is
8 covered by private health insurance.

9 **SECTION 16.** 49.472 (4) (a) 4. of the statutes is created to read:

10 49.472 (4) (a) 4. An individual's premium under this paragraph may not be less
11 than \$25.

12 **SECTION 17.** 49.472 (4) (b) of the statutes, as affected by 2011 Wisconsin Act 32,
13 section 1462h, is repealed and recreated to read:

14 49.472 (4) (b) An individual whose total net income, as calculated under sub.
15 (3) (a), is less than 150 percent of the poverty line for an individual shall pay a
16 premium of \$25.

17 **SECTION 18.** 49.472 (5) of the statutes is amended to read:

18 49.472 (5) COMMUNITY OPTIONS PARTICIPANTS. From the appropriation under s.
19 20.435 (7) (bd), the department may pay all or a portion of the monthly premium
20 calculated under sub. (4) (a) for an individual who is a participant in the community
21 options program under s. 46.27 (11).

22 **SECTION 19. Initial applicability.**

23 (1) ELIGIBILITY FOR THE MEDICAL ASSISTANCE PURCHASE PLAN. The treatment of
24 section 49.472 (3) (b) and (f) of the statutes, the renumbering and amendment of
25 section 49.472 (3) (a) of the statutes, and the creation of section 49.472 (3) (a) 2. of

1 the statutes first apply to individuals who apply for the Medical Assistance purchase
2 plan, or whose continued eligibility for the Medical Assistance purchase plan is
3 reviewed, on the effective date of this subsection.

4 (2) ELIGIBILITY FOR CERTAIN MEDICAL ASSISTANCE PROGRAMS.

5 (a) *Long-term care.* The treatment of section 46.2896 of the statutes first
6 applies to individuals who apply for any of the programs listed in section 46.2896 of
7 the statutes, as created by this act, or whose continued eligibility for any of the
8 programs listed in section 46.2896 of the statutes, as created by this act, is reviewed,
9 on the effective date of this paragraph.

10 (b) *Medical Assistance.* The treatment of section 49.46 (1) (em) of the statutes
11 first applies to individuals who apply for Medical Assistance, or whose continued
12 eligibility for Medical Assistance is reviewed, on the effective date of this paragraph.

13 (c) *Medicare buy-in.* The treatment of section 49.468 (1) (d), (1m) (b), and (2)
14 (b) of the statutes first applies to individuals who apply for the expanded medicare
15 buy-in program, or whose continued eligibility for the expanded medicare buy-in
16 program is reviewed, on the effective date of this paragraph.

17 (3) PREMIUMS FOR THE MEDICAL ASSISTANCE PURCHASE PLAN. The treatment of
18 section 49.472 (4) (a) (intro.), 1., 2. (intro.), 2m., 3., and 4. and (b), and (5) of the
19 statutes first applies to premiums for the Medical Assistance purchase plan that are
20 payable on the effective date of this subsection.

21 (END)

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not The bill also requires DHS, when determining eligibility for MAPP, to exclude from assets, to the extent approved by the federal government, income or assets from retirement benefits that accumulated or were earned from employment income or employer contributions while the individual was employed and receiving MA coverage under MAPP^A

(END OF INSERT A-1)

INSERT A-2

not, including Family Care, the long-term support community options program, the community integration program, the self-directed services option program, and the expanded Medicare buy-in MA program,

(END OF INSERT A-2)

Kahler, Pam

From: Julian, Jamie
Sent: Friday, March 21, 2014 10:05 AM
To: Kahler, Pam
Subject: please convert mapp bill /3 to introducible and send us bill jacket

Hi,

I left you a voice mail but just wanted to confirm we would like our mapp /3 converted to introducible form and the jacket sent over for us today if possible.

Thank you!

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

(608) 266-9870

Please jacket

LRB-0791/1 for

*the Assembly when
it's out of typing.*

Thanks!

Barman, Mike

From: LRB.Legal
To: Rep.Jacque
Subject: Draft review: LRB -0791/1 Topic: Miscellaneous changes to the Medical Assistance Purchase Plan (MAPP)
Attachments: 13-0791/1

State of Wisconsin - Legislative Reference Bureau
One East Main Street - Suite 200 - Madison

The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent. If you have any questions concerning the draft or would like to have it redrafted, please contact Pamela J. Kahler, Senior Attorney, at (608) 266-2682, at pam.kahler@legis.wisconsin.gov, or at One East Main Street, Suite 200.

Per instructions from the drafting attorney ... we will jacket this draft for the Assembly and send it (by page) to your office this afternoon.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at LRB.Legal@legis.wisconsin.gov or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.